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CITY OF ST. LOUIS



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FILE COPY

December 13, 2012

Daniel W. Skillman, Commissioner of Parks
Department of Parks, Recreation & Forestry
Division of Parks
5600 Clayton Avenue in Forest Park
St. Louis, MO 63110-1310

RE: Process Review of Facility Services (Project #2013-P03)

Dear Mr. Skillman:

Enclosed is the Internal Audit Section's report on the process review of the Parks Division-Facility Services for the period April 1, 2011 through March 31, 2012. A description of the scope of work is included in the report.

Fieldwork was completed on October 22, 2012. Management's responses to the observations and recommendations noted in the report were received on December 5, 2012, and have been incorporated in the report.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Kenneth M. Stone, CPA, CGMA
Internal Audit Executive

Enclosure

cc: Gary D. Bess, Director, Department of Parks, Recreation and Forestry



CITY OF ST. LOUIS

DEPARTMENT OF PARKS, RECREATION & FORESTRY

PARKS DIVISION-FACILITY SERVICES

PROCESS REVIEW

APRIL 1, 2011 THROUGH MARCH 31, 2012

PROJECT #2013-P03

DATE ISSUED: DECEMBER 13, 2012

**Prepared By:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

CITY OF ST. LOUIS
DEPARTMENT OF PARKS, RECREATION & FORESTRY
PARKS DIVISION-FACILITY SERVICES
PROCESS REVIEW
APRIL 1, 2011 THROUGH MARCH 31, 2012

EXECUTIVE SUMMARY

Purpose

The Facility Services was selected for review based on the Internal Audit Section's (IAS) annual risk assessment. The purpose was to determine if the Facility Services effectively and efficiently managed risks to ensure:

- Accomplishment of established objectives and goals.
- Compliance with applicable laws, regulations, policies, and procedures.
- Safeguarding of assets.
- Reliability and integrity of financial and operational information.

Scope and Methodology

The review was limited to evaluating internal controls over the Facility Services processing of the service requests and work orders. The review procedures included:

- Inquiries of management and staff.
- Observations of relevant processes.
- Reviews for compliance with policies and procedures, as well as applicable laws and regulations applicable to goals and objectives.
- Limited tests of internal controls.
- Other procedures as considered necessary.

Background

Facility Services is responsible for maintaining all facilities within the City's parks. The program maintains all water sewer lines, removes graffiti, and winterizes the park system. In addition, Facility Services also maintains all aspects of the Park's buildings (plumbing, electrical, carpentry and painting), playgrounds, sidewalks, curbs, fencing, HVAC equipment and irrigation systems.

Exit Conference

An exit conference was conducted at the Commissioner of Parks' Office, on November 27, 2012. The Commissioner of Parks represented the Facility Services. The Internal Audit Supervisor and the Auditor-in-charge represented the Internal Audit Section.

Conclusion

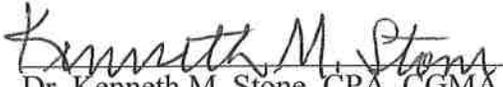
Several internal control procedures were observed as strengths in the Facility Services operations. These included, but were not limited to, the following:

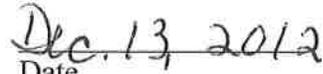
- Regular review of the monthly reports (Forest Park and Percentage reports) on service work orders completed and in-progress.
- Regular meetings with the Facility Services Superintendent to review work orders and other Facility Services activities.

The opportunity exists, however, for the Facility Services to improve controls over its processing of service requests and work orders. The following are observations resulting from the review:

1. Opportunity to improve processing of service requests and work orders.
2. Opportunity to develop written policies and procedures.

These observations are discussed in more detail in the *Detailed Observations, Recommendations and Management's Responses* section of this report.


Dr. Kenneth M. Stone, CPA, CGMA
Internal Audit Executive


Date

CITY OF ST. LOUIS
DEPARTMENT OF PARKS, RECREATION & FORESTRY
PARKS DIVISION-FACILITY SERVICES
PROCESS REVIEW
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OBSERVATIONS

Status of Prior Observations

The Internal Audit Section (IAS) has not reviewed the Facility Services previously.

Summary of Current Observations

Several internal control procedures were observed as strengths in the Facility Services operations. These included, but were not limited to, the following:

- Regular review of the monthly reports (Forest Park and Percentage reports) on service work orders completed and in-progress.
- Regular meeting with the Facility Service Superintendent to review work orders and other Facility Services activities.

The opportunity exists, however, for the Facility Services to improve internal controls over its service request processing and work orders operations. The following are observations resulting from the review:

1. Opportunity to improve processing of service requests and work orders.
2. Opportunity to develop written policies and procedures.

These observations are discussed in more detail in the *Detailed Observations, Recommendations and Management's Responses* section of this report.

DETAILED OBSERVATIONS, RECOMMENDATIONS AND MANGEMENT'S RESPONSES

1. Opportunity To Improve Processing Of Service Requests And Work Orders

The Clerk Typist II generates work orders for service calls received from City departments, aldermen, and citizens for necessary repairs at the various City Parks and Recreation Centers. The existing database computer program used in processing service requests and generating work orders can best be described as obsolete. The computer program has limited capabilities and is slow to respond and does not meet the needs of the Facility Services. Some of the limitations identified during IAS review included but not limited to:

- It does not automatically assign sequential numbers to work orders generated daily. Sequential numbers are manually assigned by the Clerk Typist II.
- It has limited capability to perform range inquiries by (years, months, weeks and days). The current process is cumbersome and time consuming to retrieve information on work orders generated or completed during the past period, months or weeks.
- It does not allow management easy access to information on completed or on-going work orders

It was also noted that completed work orders were not closed out in timely manner. Work orders remained open in the system over 30 days after the work was completed.

There was no evidence of any supervisory review of the daily status reports submitted by the Trades Foremen to the Clerk Typist II. The report listed the completed and partly completed work orders.

Good management practices ensure efficient use of time and enhance employees' productivity. Adequate internal controls over the completed work orders will ensure the reliability of the operational reports.

The Parks Division-Facility Services has not been able to replace the existing computer program. Management is in consultation with Information Technology Services Agency (ITSA) to acquire an updated computer program that will facilitate the efficient processing of the service requests and work orders.

Failure to upgrade the current existing database computer program will result in the Clerk Typist II wasting quality time daily in processing the service requests and tracking of on-going or completed work orders.

Lack of supervisory review of the completed work orders, the status reports and the delay in closing completed work orders on the computer system may affect the

1. Continued...

reliability of the monthly reports (Forest Park and Percentage) generated and provided to the Parks Commissioner.

Recommendation

It is recommended that Facility Services:

- Consider it a priority to purchase an upgraded database computer program to be used in processing service requests and generating work orders.
- Contact the Citizen Service Bureau (CSB) to share their experiences on the database computer program currently in use in recording and generating service requests.
- Document the supervisory review of work orders completed by the tradesmen and submitted to the Clerk Typist II.
- Ensure that the Clerk Typist II close out work orders when completed.

Management's Response

The Park Division accepts the proposed recommendations as drafted.

2. Opportunity To Develop Written Policies And Procedures

The Facility Services does not have written policies and procedures for processing service requests, and for generating work orders and monthly reports.

Written policies and procedures assist in ensuring that procedures and job functions are:

- Consistently performed.
- Approved by management.
- Effectively communicated to and understood by staff.
- In accordance with management goals and objectives.

In addition, written policies and procedures provide a basis for the:

- Training and cross training of new and current employees.
- Development of performance standards.

Lack of written policies and procedures increases the risk that the procedures for processing service request and generating work orders will not be:

2. Continued...

- Consistently performed
- Approved by management
- Effectively communicated to and understood by staff
- In accordance with the Facility Services goals and objectives

Lack of written policies and procedures also increases the risk that control procedures will not be effective or may be over-ridden, new employees will not be effectively trained and appropriate performance standards and measures may not be developed.

Recommendation

It is recommended that the Facility Services develop written policies and procedures for the processing of service requests, and generating work orders and monthly reports by the Clerk Typist II (Constructions). The policies and procedures should be:

- Reviewed by the Parks Facilities Maintenance Superintendent and approved by the Division's Commissioner.
- Formally communicated to the staff performing the job functions.
- Reviewed and updated periodically.

Management's Response

The Parks Division accepts the proposed recommendations as drafted.